

**BY ORDER OF THE COMMANDER
AIR FORCE MATERIEL COMMAND**

AFMC POLICY DIRECTIVE 16-1

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Operations Support

FOREIGN MILITARY SALES RESOURCES

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1. The Arms Export Control Act and the Anti-Deficiency Act prohibit the use of appropriated funds to perform Foreign Military Sales (FMS) work. FMS funds must be used. AFMC will support development, implementation, execution, and closure of FMS cases when FMS resources, determined necessary by AFMC command activities, have been validated, funded, authorized, and allocated to the affected activities in advance of, or simultaneous with, receipt of FMS taskings. AFMC activities will accept new, unanticipated FMS workload only when the required FMS resources are available to perform the work and ensure quality support of FMS customers' requirements.

NOTE:

This policy allows AFMC activities to accept new, unanticipated workload in advance of receipt of some required resources if appropriate funding is immediately available and plans have been made for obtaining the necessary remaining resources and accomplishing required reimbursements.

2. This directive applies to all organizations within headquarters and field units that are involved in FMS case development, implementation, execution, and closure, and FMS resource management.

3. Definitions of Terms:

3.1. Foreign Military Sales (FMS). That portion of US security assistance authorized by the Arms Export Control Act, as amended, and conducted on the basis of formal contracts or agreements between the US government and an eligible foreign country or international organization. FMS includes government-to-government sale of defense articles or defense services, from DoD stocks or through purchase under DoD-managed contracts.

3.2. FMS Case. A Letter of Offer and Acceptance (LOA) which has been accepted by an eligible foreign country or international organization and becomes a contractual sales agreement between the US government and the foreign country or international organization. Each LOA is assigned a unique case identifier for the purposes of identification, accounting, and data processing for each accepted offer.

3.3. Letter of Offer and Acceptance (LOA). The document by which the US government offers to sell to an eligible foreign country or international organization defense articles and defense services pursuant to the Arms Export Control Act, as amended. The LOA lists the items and/or services, estimated costs, and the terms and conditions of sale, and provides for the foreign customer's signature to indicate acceptance.

3.4. Unanticipated FMS Workload. Any workload (e.g., workload associated with new system sale cases, either pre-LOA or post-LOA; transfer of case management of an existing case; or change in scope of requirements on an existing case) which the AFMC activity is not currently performing, had no knowledge of as future workload prior to receipt of a tasking, and had not included in their FMS administrative budget.

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